

NBC BRIEFING

10 January 1957

25X1A

INDONESIA

- I. 9 Jan Masjumi exit: heavy blow to Ali cabinet—but not necessarily fatal.
 - A. Sukarno, Communists strongly back Ali.
 - B. Gov't survival depends on continued NU support.
 - C. Showdown may come shortly after parliament reconvenes 21 Jan.
 - D. Ali has promised report on handling of Sumatran affair: probably will face confidence vote.
 - E. Meanwhile, dissidents in Sumatra and elsewhere will take heart from Masjumi exit.
- II. No progress settlement Sumatra revolt.
 - A. Simbolon has ignored surrender deadline and Hussein firmly controls center.
 - B. Gov't effort to mollify dissidents only whetting appetites for more concessions.
- III. Djakarta anxious avoid violence.
 - A. However, North Sumatra commies—armed by local army commander—may clash with pro-Simbolon forces.

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NSC BRIEFING

10 January 1957

INDONESIA

- I. Masjumi Party's withdrawal from Indonesian cabinet on 9 Jan is heavy--but not necessarily fatal--blow to Ali govt.
 - A. Sukarno--still top leader--says he does not want a "cabinet crisis" until Sumatran problem settled.
 - B. Nahdlatul Ulama (NU--45 seats), other small Moslem parties, also say they want to preserve Ali regime.
 - C. Thus, Ali can count on parliamentary majority (with Communist support--39 seats) despite exit of Masjumi (57 seats) and possibly one or two other minor parties.
 - D. Ali's survival, however, depends on NU not changing its mind and large NU elements not defecting.
 - E. Showdown may come shortly after parliament reconvenes 21 Jan.
 - F. Ali has promised report on handling of Sumatran affair: probably will face confidence vote.
 - G. Meanwhile, Masjumi walkout will strongly encourage dissidents, both in Sumatra and other parts of Indonesia who want to upset Ali, bring in Hatta as head of a "presidential" cabinet.
- II. Revolt in Sumatra has remained bloodless, but without progress toward settlement.
 - A. Col. Simbolon ignored 5 January deadline for surrender, and is reported to have joined Hussein who firmly controls central Sumatra.
 - B. Hussein has warned Djakarta that force would be met with force.
 - C. Belated government effort to eliminate chief sources of discontent--by offers of greater autonomy and additional funds--so far show no results.

1. Such concessions probably only whetting appetite for similar treatment elsewhere.
2. "Prominent citizens" of south Borneo, for instance, have requested autonomy and greater share of money earned by local resources.

III. Djakarta still anxious to avoid violence, but may not be able to prevent Communist-inspired fighting.

A. North Sumatra command has suspended all civilian arms licenses in Siantar area.

B. 

1. Highly unlikely that Gov't can reclaim these arms by mere decree.
2. Thus, conflict between Communists and pro-Simbolon forces is continuing possibility.